

University of Minnesota

Audit Committee of the Board of Regents

Audit Update

September 10, 2009

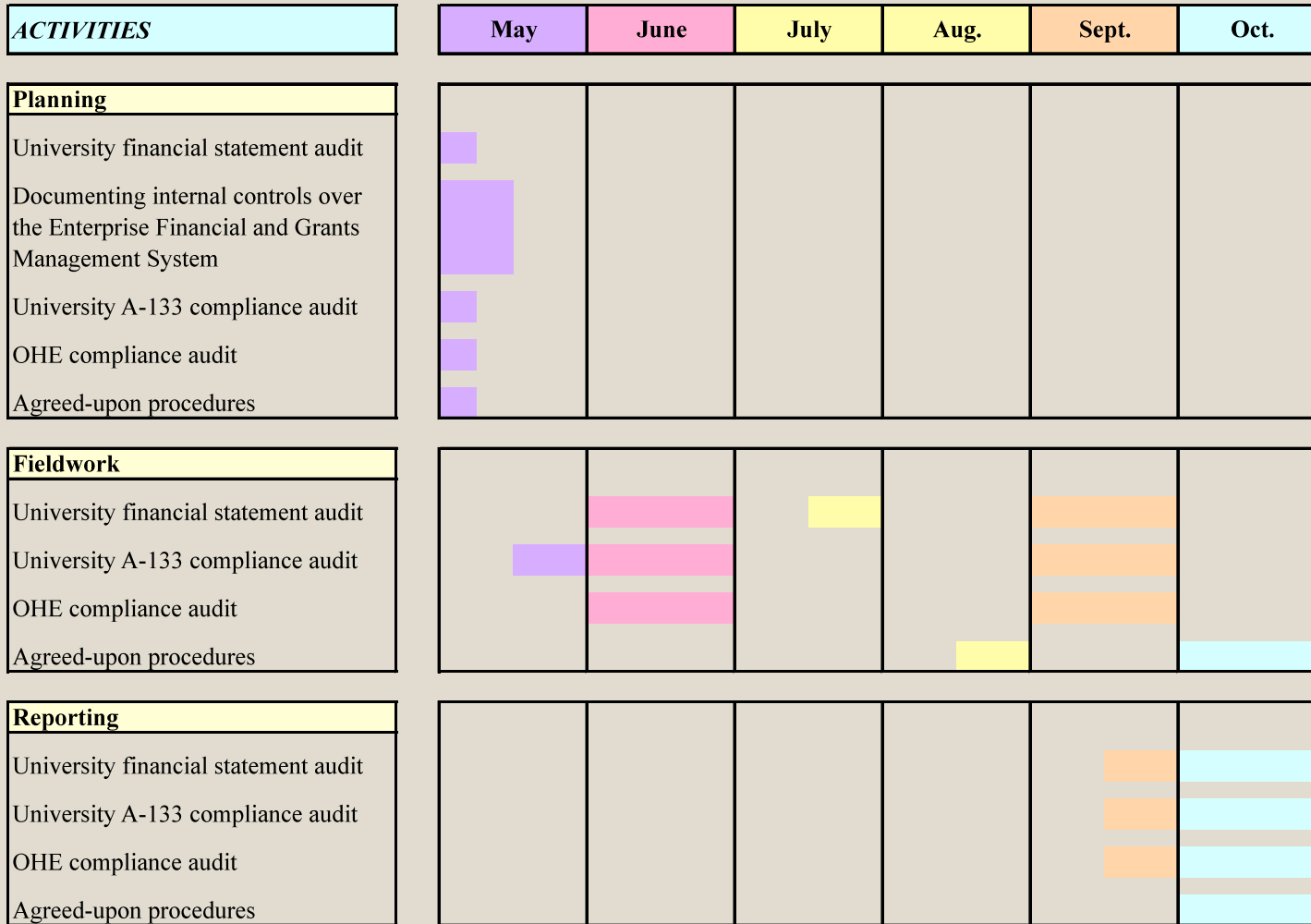
NOTICEABLY DIFFERENT

LarsonAllen
LLP
CPAs, Consultants & Advisors
www.larsonallen.com

Agenda

- Time Line of Services
- Progress to Date
- Challenges for Fiscal Year 2009's Audits
- Solutions to Remain Efficient & Effective

Time Line of Services



Progress to Date

- Internal control testing is approximately 60% complete
- Single audit is at varying degrees of completion:
 - Student Financial Aid is 85% complete
 - R & D is about 50% complete
 - Other major programs selected but not yet tested
- RUMINCO audit is 95% complete
- Information Technology is 80% complete
- Alternative Investment testing 75% complete

Challenges for Fiscal Year 2009's Audits

- Understanding a complex ERP system and process flows
- Potential delays due to financial system reporting
- Conversion Fatigue
- Implementation of new accounting standards
 - GASB 49 – environmental
 - GASB 52 – valuation of land held by endowments
- Delays or barriers in valuation testing of alternative investments

Solutions to Remain Efficient & Effective

- Increased interim testing for Alternative Investments
- Proactive implementation of new standards
- Early and continual testing of the People Soft System
- Consistency in LarsonAllen team
- Constant communication throughout the audit
- Additional staff available if delays occur

Thank you!

Don Loberg, Principal

Ph. 612/397-3064

dloberg@larsonallen.com

Craig Popenhagen, Principal

Ph. 612/397-3087

cpopenhagen@larsonallen.com